

MINUTES

MONTANA SENATE 65th LEGISLATURE - REGULAR SESSION

COMMITTEE ON TAXATION

Call to Order: Chair Mark Blasdel, on January 19, 2017 at 9:00 AM, in Room 405 Capitol

ROLL CALL

Members Present:

Sen. Mark Blasdel, Chair (R)
Sen. Roger Webb, Vice Chair (R)
Sen. Dick Barrett (D)
Sen. Jill Cohenour (D)
Sen. Brian Hoven (R)
Sen. Sue Malek (D)
Sen. Edith (Edie) McClafferty (D)
Sen. JP Pomnichowski (D)
Sen. Tom Richmond (R)
Sen. Scott Sales (R)
Sen. Russel (Russ) Tempel (R)
Sen. Fred Thomas (R)

Members Excused: None

Members Absent: None

Staff Present: Jaret Coles, Legislative Branch
Olivia Hopkins, Committee Secretary

Audio Committees: These minutes are in outline form only. They provide a list of participants and a record of official action taken by the committee. The link to the audio recording of the meeting is available on the Legislative Branch website.

Committee Business Summary:

Hearing & Date Posted: SB 105, 1/16/2017; SB 112, 1/16/2017

Executive Action: SB 85

00:00:42 Chairman Blasdel

HEARING ON SB 105

Opening Statement by Sponsor:

00:01:14 Sen. Dick Barrett (D), SD 45, opened the hearing on SB 105, Repealing the water"s-edge election for corporate income tax purposes.

[EXHIBIT\(tas14a01\)](#)

00:02:59 Sen. Cohenour entered the meeting.

00:21:27 Chairman Blasdel

Proponents' Testimony:

00:22:13 Mike Kadas, Montana Department of Revenue (DOR)

[EXHIBIT\(tas14a02\)](#)

[EXHIBIT\(tas14a03\)](#)

00:33:14 Heather O'Loughlin, Montana Budget and Policy Center

00:35:36 Eric Feaver, Montana Education Association and Montana Federation of Teachers

00:36:47 Andy Bixler, Montana Associated Students (MAS)

00:38:21 Abigail Belcher, Associated Students of the University of Montana

00:39:29 Jules Shindel, Montana Human Rights Network

00:41:44 Garret Lankford, Montana Human Rights Network

Opponents' Testimony:

00:42:08 George Olsen, Montana Society of Certified Public Accountants

[EXHIBIT\(tas14a04\)](#)

00:45:08 Tammy Johnson, Montana Mining Association

00:48:33 Robert Story, Montana Taxpayer Association (MONTAX)

[EXHIBIT\(tas14a05\)](#)

[EXHIBIT\(tas14a06\)](#)

[EXHIBIT\(tas14a07\)](#)

00:55:42 Bridger Mahlum, Montana Chamber of Commerce (MCC)

[EXHIBIT\(tas14a08\)](#)

Informational Testimony: None

Questions from Committee Members and Responses:

00:59:03 Sen. Cohenour

00:59:50 Mr. Story, MONTAX

01:01:19 Sen. Cohenour

01:01:49 Sen. Barrett

01:04:25 Sen. Cohenour
 01:05:03 Sen. Barrett
 01:06:05 Sen. Tempel
 01:06:36 Mr. Kadas, DOR
 01:09:13 Sen. Thomas
 01:12:31 Mr. Story
 01:13:08 Sen. Thomas
 01:13:39 Mr. Kadas
 01:13:57 Brian Staley, Tax-Unit manager, Montana Department of Revenue (DOR)
 01:15:57 Sen. Thomas
 01:16:07 Mr. Staley, DOR
 01:16:40 Sen. Thomas
 01:23:41 Mr. Kadas
 01:24:36 Sen. Pomnichowski
 01:24:50 Mr. Mahlum, MCC
 01:25:49 Sen. Pomnichowski
 01:26:30 Mr. Mahlum
 01:26:37 Sen. Hoven
 01:27:36 Sen. Barrett
 01:29:37 Sen. Malek
 01:33:07 Mr. Staley

Closing by Sponsor:

01:33:42 Sen. Thomas
 01:37:14 Chairman Blasdel
 01:39:23 Sen. Sales and Sen. Thomas left the meeting.
 01:41:47 Chairman Blasdel

HEARING ON SB 112

Opening Statement by Sponsor:

01:38:16 Sen. Sue Malek (D), SD 46, opened the hearing on SB 112, Revise laws relating to corporate loss carryback and carryforward.

[**EXHIBIT\(tas14a09\)**](#)

Proponents' Testimony:

01:42:31 David Hoffman, NorthWestern Energy
 01:43:05 Heather O'Loughlin, Montana Budget and Policy Center

Opponents' Testimony:

01:45:12 George Olsen, Montana Society of Certified Public Accountants (MSCPA)
 01:49:03 Robert Story, Montana Taxpayer Association

Informational Testimony:

01:50:02 Mike Kadas, Montana Department of Revenue

Questions from Committee Members and Responses:

01:52:13 Sen. Hoven
 01:52:31 Mr. Olsen, MSCPA
 01:52:36 Sen. Webb
 01:53:14 Brian Staley, Tax-Unit manager, Montana Department of Revenue
 01:53:25 Sen. Webb
 01:53:42 Sen. Malek

Closing by Sponsor:

01:54:44 Sen. Malek
 01:54:47 Chairman Blasdel

EXECUTIVE ACTION ON SB 85

01:55:23 **Motion:** Sen. Barrett moved that **SB 85 DO PASS.**

01:55:46 **Motion:** Sen. Barrett moved that **SB 85 BE AMENDED.**
EXHIBIT(tas14a10)

01:56:06 **Vote:** Motion carried unanimously by voice vote. Sen. Sales and Sen. Thomas were excused.

01:56:16 **Vote:** Motion carried 9-1 by voice vote with Sen. R. Webb voting no. Sen. Sales and Sen. Thomas were excused.

Committee Business:

01:56:51 Chairman Blasdel
 01:57:15 Sen. Pomnichowski
 01:57:30 Sen. Barrett
 01:57:43 Chairman Blasdel
 01:57:50 Sen. Malek
 01:58:04 Chairman Blasdel
 01:58:15 Sen. Hoven
 01:58:20 Chairman Blasdel

ADJOURNMENT

Adjournment: 11:07 AM

Olivia Hopkins, Secretary

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Additional Documents:

EXHIBIT([tas14aad.pdf](#))